

**701—109.2(422E) Imposition of tax.** For a school infrastructure local option sales and services tax to be valid, it must be imposed in accordance with the following:

**109.2(1) *Petition for the tax.*** A petition requesting imposition of the tax must be submitted to the board of supervisors or by motion of a school district or school districts.

**109.2(2) *Ballot.*** A ballot proposition must be substantially similar to the petition by the board of supervisors or motions of the school district(s). The ballot must include the rate of tax, imposition and repeal date, and the specific purpose or purposes for which the revenues will be expended. The form of the ballot is governed by the state commissioner of elections.

**109.2(3) *Publication.*** The ballot for the imposition of the tax must be published to notify voters of the desire for the tax and the particulars concerning the tax. The notice consisting of the ballot for the tax must be published at least 60 days prior to the election on imposition of the tax.

**109.2(4) *Rate of tax.*** The rate of tax must not be more than 1 percent.

**109.2(5) *Proposition of the tax.*** Only a county commissioner of elections shall submit the question of imposition of the tax to the voters.

**109.2(6) *Election.*** The election regarding imposition of the tax must be held at least 60 days after publication of the notice of the ballot for this tax. The election must be held at the state general election or a special election. An election regarding imposition of the tax shall not be held at a city regular election.

*a. Election necessary.* Elections are necessary to impose, repeal, or change the rate of the tax, or to change the use in revenues from the tax. Elections for repeal, change in rate, or change in use must be held in the same manner as the election for imposition. If an election is held for change in use of the revenues from the tax, the election must be held only in the school district where the change in use is proposed to occur.

*b. Effective dates.* The following dates govern the imposition and repeal of the tax:

(1) Effective dates must be no sooner than 90 days following the favorable election to approve the tax. The tax may only be imposed with an effective date of January 1 or July 1.

(2) Repeal dates must be no sooner than 90 days following a favorable election to repeal the tax. Repeal must occur on either June 30 or December 31. All school infrastructure local option sales and services tax under this chapter is repealed effective December 31, 2022, regardless of the repeal date in the ballot of the tax. The tax cannot be extended beyond December 31, 2022.

The tax shall not be repealed nor the rate of tax reduced if obligations are outstanding which are payable as provided in Iowa Code Supplement section 422E.4. However, this provision does not apply to the repeal of the tax on December 31, 2022.

*c. Notice of election result.* Within 10 days after the election at which there was a vote favoring imposition, repeal or change in rate, the county auditor must send a written notice of the election results to the director. The notice must be a copy of the abstract of votes from the favorable election.

*d. Election costs.* Cost of an election shall be apportioned among the school districts within the county on a pro-rata basis in proportion to the number of registered voters in each school district who reside within the county and the total number of registered voters within the county.

**109.2(7) *Revenue purpose statement.*** No later than 60 days prior to the election, each school district located in the county may submit a revenue purpose statement to the county commissioner. The revenue purpose statement states the specific purpose or purposes for which the tax or supplemental amount will be expended. Such purposes are limited to those set forth in 701—109.1(422E). A copy of the revenue purpose statement must be made available for public inspection, posted at the appropriate polling places of each school district during polling hours, and published in a newspaper of general circulation in the school district no sooner than 20 days and no later than 10 days prior to the election on imposition of the tax.

**109.2(8) *Lack of a revenue purpose statement or remaining revenues.*** If a revenue purpose statement is not filed 60 days prior to the election or if revenues remain after fulfilling the purpose specified in the revenue purpose statement, the revenues must be used to reduce the following levies in the following order:

*a.* Bond levies under Iowa Code sections 298.18 and 298.18A and all other debt levies, until the moneys received or the levies are reduced to zero.

- b.* The regular physical plant and equipment levy under Iowa Code section 298.2 until the moneys received or the levy is reduced to zero.
- c.* The voter-approved physical plant and equipment levy and income surtax, if any, under Iowa Code section 298.2, until the moneys received or the levy and income surtax, if any, are reduced to zero.
- d.* The public educational and recreational levy under Iowa Code section 300.2, until the moneys received or the levy is reduced to zero.
- e.* The schoolhouse tax levy under Iowa Code section 278.1, subsection 7 (Code 1989), until the moneys received or the levy is reduced to zero.
- f.* Any money remaining after the reduction of the above levies may be used for any authorized infrastructure purpose of a school district.